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Coast sees markets stabilize after uneven start

By

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[Coast Produce](#) saw a bit of a slow start to its Mexican produce season, but an increase in volume out of Southern Sonora and Northern Sinaloa brought things back to a more even keel after Thanksgiving.

Ryan Jacobsen, the sales manager at Coast's Nogales, AZ, division, said supplies of chili peppers, one of its top items, were tight at the beginning of the deal in the fall.

"There were a couple of big Mexican suppliers that didn't plant as much this year, and the hurricane in Mexico this summer contributed to a late start on some items," he said. "This caused more product to remain in the domestic market in Mexico. It was a bit tough to get things moving with the higher prices of chili peppers, so we didn't have much momentum to start."

As an example, he said Jalapeños were selling for \$48 per box before Thanksgiving, a time when they are normally \$14 to \$16.

"Usually [prices] are a bit higher in the fall until volume comes on out of Northern Sinaloa and Southern Sonora, but this year was extreme," he said. "By early December, we had good supplies so prices came back down and movement increased."

More recently, Jacobsen said, Mexican produce saw some increased demand on some items with the pull for the Super Bowl and some unseasonably cool weather in Florida.

"Florida saw some cooler temps at the end of January," Jacobsen said Feb. 1. "I haven't heard anything about any notable damage to veg crops like corn and beans, which would be first to show it, and we won't see any effect the freeze might have had on the tomato bloom drop for another month or so."

In Mexico, he added, overall the recent weather has been cooperative and product coming in has been excellent.

Aside from round tomatoes, Coast offers Romas, TOV, Grape and Beefsteaks in both conventional and organic options.

Jacobsen said Coast has recently added to its tomato program, offering different specialty packs to add value for its customers. In fact, he said Coast's repack operation for all items is a key part of the value it can provide its customers.

Jacobsen said Coast offers custom packs for different customers according to their needs. For example, on the retail side, Coast offers chili peppers in 10-pound boxes and 40-pound RPCs. For foodservice, it can provide one-pound, two-pound and five-pound boxes.

“We add pack styles as customers request them, and we’re open to custom packing -- whatever we can do to stand apart from our competition,” he said. “We’re very tight on quality control, so we’re putting out high-quality packs with excellent color, and we work closely with our customers to make sure we understand the specs, which results in low rejection rates.”

Jacobsen said Coast has also worked hard on improving efficiencies in its business, which enables it to offer accurate and up-to-date information on all items to its customers, so they can better navigate the markets.

“Our forecasting has also gotten much better, and the flow of information from the field to the office has improved greatly, which allows us to get out in front of any potential problems and resolve them before it becomes a bigger issue,” he said.

Over all, Jacobsen said he is extremely pleased with the team Coast has assembled during the last couple of years. “Everyone works extremely hard and we have great camaraderie, which is leading to increased success. It’s really a great company to work for.”

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